(b) Does not arise.

Gold Smuggling

2952. SHRI VIREN J. SHAH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a report published in the Indian Express of the 10th February, 1992 captioned "Smugglers out to scuttle gold scheme once again";

(b) if so, whether it is a fact that the huge gap between price levels of the yellow metal in India and abroad is the major factor that encourages the smugglers to thwart any bid to remove them from the supply channel; and

(c) what steps Government have taken to check the smuggling of gold into the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) The Hon'ble Member is presumably referring to the news item captioned "Allowing NRIs to bring in Gold - smugglers out to thwart move" which appeared in the daily newspaper named 'Indian Express' on 11th February, 1992. Smuggling of gold depends on various factors which include the gap between low international prices and higher domestic prices.

(c) The Customs authorities are alert against smuggling including that of gold, sophisticated equipment such as X-ray baggage machines, metal detectors, night vision binoculars are being increasingly used. Close co-ordination is also maintained between all the agencies concerned with the detection and prevention of smuggling. In addition, as announced in the Budget Speech of 29th February, 1992, Indian passport holders and persons of Indian origin have been allowed to import upto 5 kgs. of gold on payment of customs duty under certain conditions.

Money due from USSR

2953. SHRI SATCHIDANANDA : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that large sum of money is due from the former USSR;

(b) if so, what steps have been taken to recover this money;

(c) what is the amount of Rouble lying with Reserve Bank of India;

(d) what steps Government propose to take to convert this money into foreign exchange;

(e) whether Government have stopped payment from India rouble account to Indian suppliers against confirmed L/Cs. and

(f) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Under the trade and payments agreement with the former USSR, the Government of India made available technical credit in Indian rupees to the USSR as a ways and means advance towards fulfilment of the annual trade plans. The outstanding technical credit was Rs. 2161 crores on 27-12-91, when the Reserve Bank of India was constrained to hold in abeyance, the accounts in India of the Bank for Foreign Economic Affairs of USSR. This amount will be adjusted through payments due from India to the former USSR.

(c) Nil.

(d) Does not arise

(e) and (f) Consequent to the dissolution of the USSR, the Reserve Bank of India held in abeyance on 27-12-91 the operation of the Ruppee Accounts of the former USSR; and payments against L/Cs. were stopped. Subsequently, the Reserve Bank of India agree to settle claims in respect of (i) goods shipped up to 31st December, 1991, (ii) goods shipped after 31st December, 1991 but not later than 31st March, 1992 against Letters of Credit already opened by banks in the erstwhile USSR and advised to the exporters up to 31st December, 1991, and (iii) payments due to India project exporters up to 31st December, 1991 and duly certified for payment by the employers.